

56-1-5 General powers enumerated.

Every railroad corporation organized under the laws of this state shall, except as otherwise provided in this title and subject to the limitations and requirements hereof, have all the rights, privileges and powers, and be subject to all the duties and obligations of corporations organized under Title 16, Chapter 10a, Utah Revised Business Corporation Act, and in addition thereto such railroad corporation shall have the following powers:

- (1) To lay out, locate, relocate, construct, reconstruct, purchase, lease or otherwise acquire, and to own, maintain and operate railroads situated wholly or partly within or without this state and any branch or branches of such railroads, together with all such turnouts, yards and other facilities as shall be deemed necessary or convenient for use in connection therewith, and all property appurtenant to, or necessary or useful in connection with the construction, maintenance or operation of, such railroads; and in the case of purchase, to exercise and enjoy all the rights, powers, privileges and franchises, which at the time of the sale belonged to or were vested in the corporation or corporations last owning the properties sold, not inconsistent with the Constitution or laws of this state.
- (2) To construct, purchase or lease spurs or branch lines of railroad connecting with its main line or any branch thereof, and to relocate any section or sections of its line, with the same power as in the case of original or first location, though such spurs or branch lines or relocated sections are not named or described in the articles of incorporation.
- (3) To enter by its servants upon the real property of any person for the purpose of selecting an advantageous route for its main line or any extension or branch thereof or for the purpose of relocating the same, subject to responsibility for all damages resulting therefrom; and to condemn in the manner provided by law a right of way, not to exceed nine rods in width, with such additional lands as shall be necessary for depot grounds, roundhouses, shops and other necessary uses, or for the purpose of constructing necessary embankments, excavations, ditches, drains and culverts, or for the procuring of timber, stone, gravel or other essential materials, including water and water rights for its locomotives, cars, shops, depots or yards, together with all lands and rights of way necessary for the construction and maintenance of reservoirs or pipe or conduit lines for the storage and conveyance of such waters to the places where the same are required.
- (4) To acquire by purchase, donation or otherwise all such real and personal property as shall be necessary for, or shall be given to aid or encourage the construction and maintenance of, its railroad, buildings and yards.
- (5) To cross natural or artificial streams or bodies of water, streets, highways or railroads, which its road shall intersect, in such manner as to afford security for life and property; subject to the duty of immediately restoring such stream or body of water, street, highway or railroad to its former condition as nearly as may be.
- (6) To join or unite its railroad with any other railroad, either before or after construction, at any points upon its route and upon the grounds of such other railroad corporation, with the necessary turnouts, sidings, switches and other conveniences in furtherance of the objects of its connection; and every corporation whose railroad is or shall be hereafter intersected by any new railroad shall join with the owners of such new railroad in forming such intersections and connections, and grant facilities therefor.
- (7) To take and transport persons and property by steam, electric, animal or other power, or by any combination thereof, and to receive such compensation therefor as shall be reasonable and conformable to law, and to make such regulations regarding the movement of its trains or cars and the manner of transporting passengers and freight, the management of its property and the conduct of its business, as shall be reasonable and conformable to law.

- (8) To merge or to consolidate with any other railroad corporation or corporations organized or existing under the laws of this or any other state or territory, or of the United States; provided, that the lines of such corporations shall not be competing but shall be substantially continuous or connective either by means of actual union of track or through the medium of any bridge, ferry, or line of railroad leased, operated or otherwise controlled by any or either of said corporations, or which any such corporations shall have the right by contract or otherwise to use or operate. If one or more of the corporations merging or consolidating is a foreign corporation, such merger or consolidation shall be authorized and ratified by such foreign corporation in the manner required by the laws of the jurisdiction under which it is incorporated.
- (9) To lease, sell, convey and transfer its property and franchises or any part thereof to any railroad corporation not owning any competitive line in this state, whether organized under the laws of this state or of any other state, or of the United States, and to sell, convey and transfer to a corporation organized under the laws of any foreign country the lines of railroad owned by it and situated wholly in such foreign country.
- (10) To acquire, own, maintain, operate and navigate steamships, sailing vessels and boats of every description, and generally to carry on the business of a common carrier by water.
- (11) To issue bonds for such sums and payable at such times and places and drawing interest at such rates as the board of directors shall deem expedient, and for the purpose of securing the payment of such bonds and interest to execute trust deeds or mortgages or both upon the whole or any part of its lines, real property, rolling stock, vessels, machinery, franchises, income, profits and other personal property then owned or thereafter acquired. Such bonds and trust deeds or mortgages shall be valid according to their terms, notwithstanding the fact that the bonds may be sold below par value. A trust deed or mortgage made as aforesaid, to operate as notice to third persons, shall be recorded in the office of the recorder of each county in which any of the property affected by such trust deed or mortgage shall be situated, and need not be left or filed in said office. Any such mortgage or trust deed when made shall be a valid lien upon the real and personal property and chattels included therein, notwithstanding the fact that the possession of such personal property may remain with the mortgagor; and when recorded as aforesaid such record shall be notice to all persons of the existence of such mortgage or deed of trust according to its terms; provided, that corporations organized under the laws of this state, owning and operating street, suburban, or interurban railroads, including those that own and operate, with such railroads, power and lighting plants shall be deemed railroad companies, and their properties, railroad properties, within the meaning of this subdivision.
- (12) To create, issue and dispose of preferred stock, special stock and income certificates, to such amounts and in such form and for such purposes, and as between the stockholders themselves, to make the same payable in respect of principal and dividends out of such class or character of assets and income, as shall be determined upon by its board of directors with the assent thereto of the holders of at least a majority in amount of the common stock; provided, that no increase of any preferred or special stock, or of any income certificates issued pursuant to this title, shall at any time be made without the assent thereto of the holders of at least a majority in amount of the preferred stock or special stock, or of the income certificates to be affected by such issue, as the case may be.
- (13) To purchase or otherwise lawfully acquire, and to own, hold, pledge or otherwise dispose of, the stock or any part of the stock, bonds or other obligations of any corporation organized under the laws of this state or of the United States or of any other state or territory of the United States, which owns or operates by lease or otherwise any line or lines of steam, electric, street or interurban railroad or which directly or indirectly conducts any transportation business by

land, water, or air and by whatever motive power or which owns or operates any union depot or station, any railroad terminal, wharves, docks or other shipping facilities, any steamships, steamboats or other watercraft or any aircraft, landing field or other aviation facilities, or which may carry on an express or refrigeration business, or furnish cars or other facilities for refrigeration or storage of freight, or which may manufacture, sell, lease, or otherwise provide railroad equipment; and upon the pledge or sale of such bonds or other obligations to guarantee the same in the discretion of its board of directors.

- (14) To receive subscriptions for increases of stock on such terms as the board of directors or the stockholders shall authorize, payable in shares of the stock or in bonds or other obligations of any other corporation organized under the laws of this state or of the United States, or of any other state or territory of the United States, whose stock, bonds, or other obligations are authorized to be purchased or acquired by railroad corporations of this state; provided, that the stocks, bonds or other obligations of such other corporations to be received in payment and exchange for the stock so subscribed shall be of a par value at least equal to the par value of the stock subscribed, or of an actual or market value equal in the opinion of the board of directors to that of the stock so subscribed and issued, and such stock so issued shall for all purposes be deemed full-paid.

Amended by Chapter 6, 1992 Special Session 3

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